

Cluster Issues

PJM System Planning

- An issue identified in the IPSTF mission statement is the “slowness of the queue and generation development, particularly in areas that are highly congested areas such as New Jersey.”
- Characteristics of “congested areas such as New Jersey”
 - Multiple projects across multiple queues trying to interconnect with the system
 - Heavily loaded transmission system

- Stakeholders have suggested a number of issues:
 - Length of the queue process
 - High line flows that lead to high interconnection upgrade costs
 - Inability to get financing given the potential for being assigned cost responsibility for so many upgrades
 - “But-for” approach can lead to identification of many upgrades that will ultimately not be required as developers make decisions about their project and drop out of the queue
- Developers want a realistic set of upgrades more quickly

- What defines a “generation cluster?”
 - “Generation cluster” is driven by the violation that a unit is contributing to not by the physical location of the unit
 - Multiple generators contributing to the same violation form the cluster
 - Contribution from individual generators in the cluster are additive

- Timely completion of studies
 - Move projects to an ISA more quickly
 - Reduce number of re-tools
 - Provide greater certainty in results
 - Manage changes associated with projects
 - Manage process workload
- Many of the reforms we have already identified will help to address the issues with generation clusters – The question is should additional reforms be considered?

- Some of the reforms we have identified are intended to provide developers with additional information earlier in the process
 - The additional information provided earlier in the process should facilitate developers making decisions about the viability of their project earlier in the process.
 - Is there other information that could be provided to developers that would help them make decisions about the viability of their project?

- Some of the reforms we have identified are intended to move more certain projects through the interconnection process more quickly.
 - “More certain” projects were those not making changes
 - Are there other things to consider related to project certainty?

- PJM currently requires a developer to demonstrate site control as an indication of certainty of the project.
- Are there additional milestones that should be required to remain in the queue, or move forward faster than other projects?
 - Other permits required for construction or operation?
 - Air permits
 - Water permits
 - Other environmental permits
 - Commitment to purchase major equipment?

Other ideas?